

TRANSMITTAL SLIP		DATE
		22 DEC 1987
TO: DDA		
ROOM NO.	BUILDING	
7D18	Adptis	
REMARKS:		
ADDA <u>28 DEC 1987</u>		
EXA <u>29 DEC 1987</u>		
DDA <u>29 DEC 1987</u>		
MS <u>30 DEC 1987</u>		
DDA/Registry (file)		
D/OA, D/OP + D/OS received info copies.		
		/OCA/LEG
ROOM NO.	BUILDING	EXTENSION
7B14	Adptis	

OCA 87-6068  
14 December 1987

MEMORANDUM FOR: (See Distribution)

FROM:

STAT

SUBJECT: Intelligence Authorization Act for Fiscal Year 1988  
Public Law No. 100-178

1. On 2 December 1987, the President signed into law the Intelligence Authorization Act for Fiscal Year 1988, Public Law No. 100-178. You should have already received copies of the bill in its conference report form (House Report 100-432). As soon as copies in the public law form become available, they will be forwarded to you. The following items are of particular interest.

2. Nicaraguan Restrictions. Section 104 contains what has become the standard restriction on the assistance to the Nicaraguan resistance: funds may be expended for such activities only as authorized in the classified annex to the bill and/or as authorized in separate legislation.

3. Pre-1982 Former Spouses. Section 401 provides retirement benefits for those former spouses who were divorced prior to 15 November 1982, the effective date of the initial "former spouses" legislation. Section 402 provides death-in-service benefits of a similar nature.

4. Report on Soviet National Admissions Over FBI Objections. Section 501 requires the Attorney General to report annually to the two intelligence committees when Soviet nationals are admitted over the objections of the Federal Bureau of Investigation (FBI).

5. This particular provision caused a last-minute problem in the bill's progress. During circulation of the enrolled bill within the Executive Branch for comment to the President prior to his signature, the Department of Justice voiced an objection to Section 501 on constitutional grounds. While Justice did not recommend a veto of the bill, it did manage to insert in the President's signing statement language to the effect that the President was instructing the Attorney General to disregard the Section on constitutional grounds. After this statement was roundly criticized on the Senate floor by the Senate Select Committee on Intelligence (SSCI) Vice Chairman Cohen (Congressional Record, 4 December 1987 - pp. S17400-02), the President sent a letter to the SSCI backing off from the Justice position.

6. FBI New York Field Office. Section 502 requires a study by the FBI and the Office of Personnel Management (OPM) of the FBI's New York Office Field Office, and a report to the intelligence committees within sixty days on whether increased benefits are required. The Senate bill had provided broad

authority for the Director of the FBI to provide additional compensation to FBI personnel stationed in the Office. Section 502 is a compromise reached after numerous objections were voiced to this provision, most especially from within the Administration and the Department of Justice.

7. DIA Provisions. Title VI of the bill contains various provisions of interest to the Defense Intelligence Agency (DIA). Section 601 authorizes DIA to pay an allowance to certain foreign national employees of DIA overseas to cover the cost of their uniforms. Section 602 extends for two years DIA's special personnel termination authority. Section 603 grants to DIA non-disclosure authorities currently enjoyed by the Agency and the National Security Agency.

8. Study of Intelligence Personnel Systems. Section 701 requires the Director of Central Intelligence to contract with the National Academy of Public Administration (NAPA) to perform a classified study of the personnel management and compensation systems affecting civilian personnel of agencies in the Intelligence Community. The provision is a compromise based on objections raised to the initial version of this provision, as contained in the House bill, which would have created a Presidential Commission to study the issue. v

9. The report is to be completed by 20 January 1989, with interim reports on 1 May and 1 August 1988. In the meantime, the Congress stated its expectation that no new personnel programs would be forthcoming from the Community.

10. Mount Alto Embassy Site. Section 901 of the bill would require a report to the Congress from the Secretary of Defense assessing the present and potential capabilities of the Mount Alto site for communications interceptions and a determination as to whether Soviet occupation of that site is consistent with national security. It is likely this requirement will be overtaken by much broader and more sweeping legislation currently in conference.

11. Provisions Deleted. Among those provisions not included in the bill was a technical provision providing for retroactive authorization of funds previously appropriated but not authorized. Also deleted, on account of the pendency of the NAPA study, was the NSA graduate-level studies program provision.

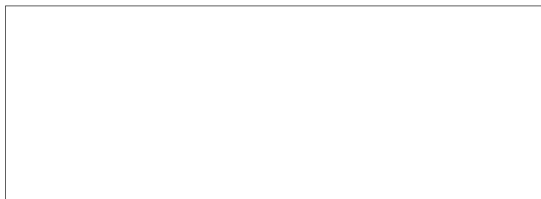
12. Reports. In the conference report, the Congress asked for a report from the Director of Central Intelligence on the changes to the Export Administration Act which are of significance to the Community. The Congress further requested this report be made on an annual basis.

13. This activity will likely provide the basis for an effort by the NSA to seek, via the Fiscal Year 1989 Intelligence Authorization bill, an amendment to the Export Administration Act to insure that certain high-technology exports with the potential for having an adverse impact on the national security are reviewed by the Community prior to an export license being granted. The NSA proposal in this area is already included in the

Community Legislative Program for next year (Item 100/2 - 25) and the actual amendment itself (previously circulated for your comments) will be included in the draft Administration version of that bill to be sent to the Office of Management and Budget in the very near future for Administration clearance.

14. The conferees on the bill also endorsed the requirement in the report on the Senate version of the bill to request the Director and the Secretary of Defense to develop a plan for the conduct of "net assessments."

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OCA87-6068

Subject: FY-89 Intelligence Authorization Act

OCA/LEG  (22 December 1987)

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Internal Distribution:

Original - OCA/Leg/Subject File: FY-89 Intel. Auth. Bill

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